

USAWC STRATEGY RESEARCH PROJECT

**FOREIGN SERVICE: MEETING THE DEPLOYMENT CHALLENGE**

by

Ms. Marjorie Phillips  
Department of State

Mr. Richard H. Smyth  
Project Adviser

This SRP is submitted in partial fulfillment of the requirements of the Master of Strategic Studies Degree. The U.S. Army War College is accredited by the Commission on Higher Education of the Middle States Association of Colleges and Schools, 3624 Market Street, Philadelphia, PA 19104, (215) 662-5606. The Commission on Higher Education is an institutional accrediting agency recognized by the U.S. Secretary of Education and the Council for Higher Education Accreditation.

The views expressed in this student academic research paper are those of the author and do not reflect the official policy or position of the Department of the Army, Department of Defense, or the U.S. Government.

U.S. Army War College  
CARLISLE BARRACKS, PENNSYLVANIA 17013

Report Documentation Page			Form Approved OMB No. 0704-0188		
Public reporting burden for the collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to a penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.					
1. REPORT DATE <b>30 MAR 2007</b>		2. REPORT TYPE <b>Strategy Research Project</b>		3. DATES COVERED <b>00-00-2006 to 00-00-2007</b>	
4. TITLE AND SUBTITLE <b>Foreign Service Meeting the Deployment Challenge</b>				5a. CONTRACT NUMBER	
				5b. GRANT NUMBER	
				5c. PROGRAM ELEMENT NUMBER	
6. AUTHOR(S) <b>Marjorie Phillips</b>				5d. PROJECT NUMBER	
				5e. TASK NUMBER	
				5f. WORK UNIT NUMBER	
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) <b>U.S. Army War College, Carlisle Barracks, Carlisle, PA, 17013-5050</b>				8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)				10. SPONSOR/MONITOR'S ACRONYM(S)	
				11. SPONSOR/MONITOR'S REPORT NUMBER(S)	
12. DISTRIBUTION/AVAILABILITY STATEMENT <b>Approved for public release; distribution unlimited</b>					
13. SUPPLEMENTARY NOTES					
14. ABSTRACT <b>See attached.</b>					
15. SUBJECT TERMS					
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT	18. NUMBER OF PAGES <b>20</b>	19a. NAME OF RESPONSIBLE PERSON
a. REPORT <b>unclassified</b>	b. ABSTRACT <b>unclassified</b>	c. THIS PAGE <b>unclassified</b>			

## **ABSTRACT**

AUTHOR: Ms. Marjorie Phillips  
TITLE: Foreign Service: Meeting the Deployment Challenge  
FORMAT: Strategy Research Project  
DATE: 29 March 2007 WORD COUNT: 5,608 PAGES: 20  
KEY TERMS: Stability Operations, Reconstruction, Interagency  
CLASSIFICATION: Unclassified

The current administration has designated the Department of State as the lead agency in coordinating U.S. government efforts in stabilization and reconstruction. In order to complete this mission, the Department will need to deploy personnel into areas of severe hardship and potential military conflict, as we do today in our embassies and provincial reconstruction teams in Iraq and Afghanistan. In order to fill the jobs in Iraq and Afghanistan, the Department has put in place some compensation, promotion and assignment incentives. Still, it remains a struggle, both in hardship and non-hardship posts, to fill the positions with qualified personnel. This paper addresses the question of how the Foreign Service can prepare itself to be better ready to deploy, in appropriate numbers, to post-conflict and crisis zones around the world. This paper reviews the panoply of the Department's current staffing and funding initiatives and recommends that the Department leadership put together a coherent plan to present Congress in order to obtain the additional resources needed to turn current initiatives into a sustainable program.



## FOREIGN SERVICE: MEETING THE DEPLOYMENT CHALLENGE

World instability has dramatically changed overseas service for U.S. diplomats. The Washington Post quotes the following statistic: “The number of overseas positions that prohibit accompanying children – and sometimes spouses – has increased from 200 in 2001 to more than 800 today.”<sup>1</sup> Filling these jobs, particularly those in Afghanistan and Iraq, is one of the top priorities of the Department. Compensation, promotion and assignment incentives have been put in place to attract officers to these jobs. Yet while the Department has filled most of the positions, it continues to be a struggle to attract the most qualified candidates. More importantly, no number of incentives will change the fact that the Department is not resourced to meet the current global staffing requirements. The problem is not that Foreign Service officers are not willing to accept challenging assignments, rather that there simply are not enough Foreign Service officers for the jobs. Furthermore, the increasing recognition of the role of the State Department in reconstruction and stabilization requires an additional number of Department personnel be available for immediate deployment on these assignments. If the worldwide patterns of instability continue, and all indications are that they will, it is critical that the State Department be equipped to fill its positions. The following pages outline the background for today’s staffing shortages, and will discuss the various initiatives the Department has undertaken to meet the new requirements. The fact remains, however, that additional resources will be required to meet both current and future requirements.

### Historically Underfunded

The State Department has a long history of making-do with severe resource constraints. From the mid-eighties to the late nineties the Department of State budget was flat lined or reduced, during a time in which new embassies were established in the countries of the former Soviet Union. Positions went unfilled sometimes for years. Other agency presence at U.S. missions overseas increased geometrically, yet the State Department’s presence was static or reduced. In recognition that the Department was at high risk of being unable to perform its mission, Secretary of State Colin Powell successfully made the case to Congress for the Diplomatic Readiness Initiative (DRI) to hire staff to “respond to emerging crises and to allow staff time for critical job training.”<sup>2</sup> As a result, from 2002 to 2004, the Department succeeded in hiring over 1,000 personnel, taking total Foreign Service staffing to approximately 11,000 personnel. Unfortunately, a 2006 Government Accountability Office (GAO) report states that DRI has made little impact in addressing the problems of filling staffing gaps at hardship posts largely because the initiative has been overtaken by demands for staffing and expertise from

Iraq and Afghanistan.<sup>3</sup> Positions that had been established at many embassies are now being stripped away,<sup>4</sup> and anecdotal evidence indicates a return to the unloved practice of the 90s of managing personnel shortages through use of extended staffing gaps.<sup>5</sup>

Recently, a chorus of complaints about the availability of qualified diplomats for positions in difficult posts such as Iraq and Afghanistan has led to comments heard around Washington and in military circles about how Foreign Service officers (FSOs) are not “deployable” – FSOs cannot be told where to go, like the military can. In fact, FSOs are indeed subject to what is called “directed assignment,” a forced assignment. This tool, however, is rarely used, not due to squeamishness on the part of State Department management but rather because there are very few officers eligible for such assignment. There are no vast pools of officers who are standing by available for deployment. In fact, there is an increasing shortage of personnel for existing positions. Foreign Service deployment is more easily understood when compared with deployment in the military. To quote veteran FSO and Army War College Visiting Professor Richard Smyth, “the military is oriented towards projects, and the Foreign Service is oriented towards process. The military, when not at war, is a force in potential – waiting to do something – whereas the conduct of diplomacy is something that goes on all the time. We in the Foreign Service are (almost) always “deployed,” whereas that’s the exceptional condition for our military colleagues.”<sup>6</sup>

In fact, there are more positions than there are Foreign Service officers. The 2006 GAO report shows a shortfall of 1,925 personnel department-wide, or 10% of total staffing, but this number only includes positions that have already formally been established; it does not take into account three to four month gaps in staffing that cumulatively account for many vacant positions, does not take into account shortfalls associated with provided needed training, and does not include positions needed for surge operations.<sup>7</sup>

#### State Department Role and Responsibilities in Stabilization and Reconstruction Efforts

There can be little doubt that the future will bring increased need for skills in stabilization and nation-building operations. James Dobbins of the RAND Corporation has written that Iraq is the sixth major nation-building mission the United States has led over the past decade. Mr. Dobbins makes a convincing case that “it now seems clear that nation-building is the inescapable responsibility of the world’s only superpower.”<sup>8</sup> The difficulties encountered in Iraq since Operation Iraqi Freedom (OIF) concluded in 2003 have generated a series of policy pronouncements and documents that acknowledge the responsibility and role of the State Department in stabilization and reconstruction. The Department of State and U.S. Agency for

International Development Strategic Plan for Fiscal Years 2004-2009, released in August 2003, called for the Department of State to take the lead in international efforts to assist failing and fragile states.<sup>9</sup> In August of 2004, the Bush administration created the Office of the Coordinator for Reconstruction and Stabilization (S/CRS) in the Department of State. President Bush, in his second inaugural address in January, 2005, made a call for increased diplomatic activism worldwide when he said “It is the policy of the United States to seek and support the growth of the democratic movements and institutions in every nation and culture with the ultimate goal of ending tyranny in the world.”<sup>10</sup> In December, 2005, President Bush issued National Security Presidential Directive/NSDD-44 which assigned to the Secretary of State the responsibility for developing a civilian response for conflict situations and related reconstruction and stabilization activities.<sup>11</sup> The March 2006 National Security Strategy calls for the State Department to “develop a civilian reserve corps, analogous to the military reserves . . . the civilian reserve corps would utilize, in a flexible and timely manner, the human resources of the American people for skills and capacities needed for international disaster relief and post-conflict reconstruction.”<sup>12</sup>

The military seems also to have embraced the concept of the primary State Department role in reconstruction and stabilization. Joint Interagency Coordinating Groups (JIACG), with State Department membership, now exist in each of the Department of Defense (DoD) combatant commands, and new military doctrine makes much mention of the need for use of the non-kinetic arms of military power.<sup>13</sup> Indeed, currently State Department, DoD and other agency officers are working closely with the military in Provincial Reconstruction Teams (PRTs) in Iraq and Afghanistan. Leadership in the PRTs is provided by the Department of State, although DoD leads the effort in areas where PRTs do not exist or are not functional because of security issues. There appears, therefore, to be a growing understanding across the current administration of the concept of the role of the State Department in reconstruction and stabilization. What is less clear is where the human and financial resources are to come from to meet this responsibility.

#### Creation of S/CRS Office

Coming to understanding and agreement in the current administration for the State Department role in stability and reconstruction operations is one thing, but turning that understanding into a functioning system, and one that will endure across future administrations is a separate challenge. The creation of the Office of the Coordinator for Reconstruction and Stabilization (S/CRS) in August of 2004 was an important step towards institutionalizing this

concept, as the beginning of the formation of a U.S. government civilian capacity to prepare for post-conflict situations. As described by S/CRS in their December, 2005 report to Congress, “the core functions of S/CRS are to focus attention on preventative measures and planning for countries at risk of instability, identify and plan responses to post-conflict situations, lead and manage civilian response teams in the field and in Washington, and coordinate USG participation in multilateral operations.”<sup>14</sup> The office functions within the State Department, but also pulls from the interagency community, building upon and drawing from existing skills and expertise. Current S/CRS staff come from the State Department, USAID, Office of the Secretary of Defense, Army Corps of Engineers, and the Joint Forces Command.<sup>15</sup>

S/CRS is developing both the framework and the capability to plan for stabilization and reconstruction. The office is outlining a catalog of essential tasks to force planners in case of a specific crisis to address both the immediate needs and the eventual transition from international to indigenous leadership and sustainable development.<sup>16</sup>

S/CRS has also begun the creation of a civilian crisis response capability. First, the Active Response Corps (ARC) was created in the summer of 2006. ARC members will provide the leadership in the initial surge response to a crisis. The ARC will be the first responders when the State Department must establish a transitional or post-conflict ground operation, such as an interim embassy or U.S. office. ARC staff will be assigned to the S/CRS office, and when not deployed will be in training, in USG exercises, preparing and planning for countries and regions facing reconstruction and stabilization challenges. This type of planning and training mission, while routine for the military, does not currently exist in the Department which traditionally has no “spare” personnel to provide for non-immediate operational functions.

Currently only 10 members, the ARC is expected to expand to 30 by the end of 2007.<sup>17</sup> S/CRS plans to expand to a target level of a 100 person team, if funding to support such growth is available.<sup>18</sup> The Department’s personnel shortage, however, will also have an impact on the ARC’s ability to expand as hoped. All new CRS positions are dependent on available candidates for the jobs, and many of the positions – particularly those in the ARC -- are one-year assignments, called Y tours, that do not count against the total State Department personnel numbers, and are often perceived as jobs that are vulnerable to budget woes. These positions compete with all other jobs worldwide out of the same personnel pool. At this moment, midway into the 2007 personnel assignment cycle, many of the jobs in CRS’s active reserve corps do not have bidders.

S/CRS also is creating the Standby Response Corps (SRC), both to supplement the skills of the ARC as it deploys and to follow on after initial deployment to support a country’s longer-



term transition. SRC members are pre-screened volunteers from within the Department who continue to perform their current duties with the understanding that they could be called upon for duty of 365 days, or longer in some circumstances. S/CRS is working with other agencies to develop analogous capabilities within their ranks.<sup>19</sup> Training, currently minimal, must be developed to ensure the SRC members are prepared for their deployments.

Finally, S/CRS is in the process of completing a feasibility study for a civilian reserve. Reservists would be recruited from federal, state and local governments, and the private sector, in the fields of security, rule of law, essential services, and civilian administration. Members of the reserve would serve in the reserve for a period of five years, but remain in their current jobs until activated for annual training or deployment, at which time they would become USG employees. They could be deployed for up to one year, would be followed by contract personnel who would augment the work of the reserves and eventually replace them on the ground. Additional funding and legal authority would be required for the creation of the civilian reserve.<sup>20</sup>

#### Hardship Service Disincentives

Most Foreign Service officers joined the State Department with the understanding that they would be serving in distant, often difficult posts. In theory, therefore, most officers are very willing to serve in hardship posts. There are, however, a large number of disincentives today that discourage this adventurous spirit.

First, the number of overseas positions prohibiting accompanying family members – and this would include almost all posts where stabilization and reconstruction programs are being set up or are underway – has increased from 200 in 2001 to more than 800 today.<sup>21</sup> The bid counts on the Department personnel assignment systems consistently show that these jobs do not attract many bidders. The prospect of a year's separation is often particularly difficult for Foreign Service families. Support for family members left behind when a FSO is deployed on an unaccompanied assignment is minimal. The State Department provides a separate maintenance allowance for family, which varies depending on family size and other conditions. As an example, an employee with a spouse and two or three children facing involuntary separation when a post is considered too dangerous for a family to accompany would receive an annual amount of \$15,200 – certainly not enough to come close to providing housing in the DC area. Foreign Service families may not have a home they can return to in the U.S. Because FSOs are expected to spend the majority of their careers overseas, ties to families and communities in the U.S. can be weakened by the long periods spent apart. Foreign-born

spouses may have no ties to the U.S. at all. The Family Liaison Office in the State Department provides some information resources for separated families, but the amount of support provided by this small office is very limited – only one position is dedicated to supporting separated families. The State Department also has a contract with a private firm that provides some relocation and resettlement assistance for families returning to the U.S.—but again, the level of support is limited. The reality remains that families left behind in the U.S. are responsible for their own welfare.

Working overseas also has increasingly diminishing financial benefits for Foreign Service officers. One of the most frequently heard issues is that of “comparability pay.” Foreign Service officers assigned to Washington received the Washington locality pay, currently 18.59% of base income.<sup>22</sup> They lose this when they are assigned overseas, which, in addition to loss of current income, also affects retirement savings through the reduced social security payments and Thrift Savings Plan contributions. Overseas danger and hardship differentials are each capped at 25% (with the new exception of Iraq and Afghanistan), greatly diminishing the value of the differentials at difficult posts. In the closing hours of the Congressional 2006 session in early December, Congress once again rejected a package that would have addressed this issue. Reportedly, some House members and senators objected to the costs, estimated at \$32 million in 2007.<sup>23</sup> While this amount is significant, it is a cost currently borne by individual Foreign Service officers in income lost while serving overseas.

The 18.59% base pay cut is not the only cost of overseas employment. Other financial losses include a spouse's income, as jobs for spouses are usually very limited in both the embassies and on the local economies. It is difficult for a spouse to develop their own career track given the constant interruptions of Foreign Service life. As a result, two career households are very rare in the Foreign Service.

Foreign Service officers must also continue to pay federal income tax while on assignment abroad, even when assigned to war zones and working with combat troops and private contractors enjoying income tax exceptions. Most also pay state tax; the District of Columbia, Maryland and Virginia are notorious for their tax collection efforts aimed at FSOs serving overseas. In today's world, this often results in the very worst combination of circumstances, with Foreign Service officers asked to serve in places where families may not accompany them, yet they lose their 18.59% Washington locality pay, continue to pay all federal and state taxes, and maintain their family in the U.S.

The Foreign Service employee evaluation reports (EER) can also provide a disincentive to work in hardship posts. Describing the difficulty of doing equivalent work to that of colleagues in

less difficult posts can be very difficult, especially for busy supervisors or those who have yet to master the highly-nuanced skills of EER-writing. This problem can become a critical problem for those assigned to areas where the supervisor is not a State Department employee, for example in a multinational provincial reconstruction team. It is rare that someone who is not vested in the State system would or could take the time and enormous effort required to prepare a competitive FSO performance evaluation.

### Iraq Service Recognition Package

The State Department has created a package of incentives to address the shortfall of qualified applicants for jobs in Iraq, called the Iraq Service Recognition Package.<sup>24</sup> This comprehensive package includes financial incentives, extra vacation time, evaluation, promotion and assignment consideration. The financial incentives consist of 35% danger pay and 35% hardship differentials (the 25% cap on these differentials was waived for Iraq and Afghanistan). Officers not in the senior Foreign Service who are otherwise not eligible for overtime receive a 20% differential to compensate for the extra work performed. Those with Arabic language skills will also receive language incentive pay, which, depending on skill level, can be an additional \$10-15,000. The combination of financial incentives would quickly put most employees over the government-wide annual pay caps. In response, for those assigned to Iraq those caps have been raised, and earnings in excess of the raised cap may be rolled into subsequent years.

Foreign Service officers assigned or on one year temporary duty to Iraq will be eligible to choose between either three rest-and-recuperation (R&R) trips back to the US, or two R&R trips and three regional rest breaks during a one year period. Total time away from post is capped, however, at 63 calendar days, which is generous but problematic as getting in and out of Iraq, especially for those in the Provincial Reconstruction Teams, can take easily take 4 to 5 days in both directions. This problem is addressed by another incentive, the restoration of any forfeited annual leave lost during time in Iraq. FSOs who serve one year in Iraq also meet the Foreign Service requirement that they serve overseas after six consecutive years in the United States.

The Iraq Service Recognition Package mandates that those who serve in Iraq for less than the 120 day minimum required for an official evaluation will receive a formal Memorandum of Performance to document their contribution. The time-in-class or time-in-service period for personnel facing a final selection board (in which, if not selected for promotion, they will be forced to resign from the Foreign Service) will be extended by up to two years for time served in Iraq. As many highly qualified employees do not succeed in making the difficult hurdle into the Senior Foreign Service (civil service super-grade and military flag-rank equivalent), this

incentive alone could attract many of the needed competent mid-level officers to Iraq assignments. Furthering the attraction, promotion selection boards have been instructed that they are “to weigh positively creditable and exemplary performance at hardship and danger posts . . . such as Iraq and Afghanistan. Boards should particularly credit performance in Provincial Reconstruction Teams and other regional operations in Iraq . . .”<sup>25</sup> Those to serve in Provincial Reconstruction Teams also have a firm commitment for assistance in their onward assignments.

The Iraq Service Recognition Package addresses many areas that should indeed greatly increase the attractiveness of service in Iraq. The drawback is that this package is cobbled together uniquely for Iraq, and to some extent Afghanistan. It is an expensive package, and funded from Iraq supplemental dollars. The Department needs a package that could be used for all future similar type assignments, available immediately to those who go out first, long before necessary approvals and funding could be obtained.

#### Mission Rightsizing

Reducing other needs for overseas staffing is another possible route towards making additional personnel and resources available for difficult staffing assignments. It is a long term effort, but critical to creating Departmental efficiencies and providing credibility with Congress. Indeed, the high cost of maintaining personnel overseas has resulted in a Congressionally-mandated office in the Department of State called the Office of Rightsizing the USG Overseas Presence.

The purpose of the Rightsizing Office is to ensure the smallest possible U.S. footprint in our missions overseas as required to carry out the President's foreign policy agenda. The Rightsizing Office must submit quarterly reports to Congress on its activities. The December 2006 report provides detail on the various methodologies used to accomplish this.<sup>26</sup> First, as part of the annual mission program planning exercise, each embassy must examine every position for possible relocation to the United States or a regional center. Any increase in personnel at post must be carefully justified and linked in this plan to key U.S. foreign policy objectives before any approval for a staffing increase would even be contemplated. The Rightsizing Office also reviews all other-agency requests to increase personnel at posts, to review whether an appropriate rightsizing review has taken place prior to giving approval for new positions. And any embassy that is due to receive a new facility must go through an excruciatingly detailed review of each and every position. The office's December report to Congress states that as a result of their efforts during 2006, 200 U.S. direct hire employee

positions were reduced. Still, overall the trend has been for an increase in mission size. The increases are largely due “to the demands of the Global War on Terror, HIV/AIDs programs, the emergence of new infectious diseases such as Avian Influenza, expanded law enforcement presence abroad, and the expansion of the Department of Homeland Security abroad.”<sup>27</sup>

Embassies are managed by the State Department, and much of the cost of running them is absorbed by Department of State. As a result, many State officials believe other agencies do not cover the true cost of their presence overseas. For example, in government-owned facilities, space is provided to other agencies free of cost. The State Department provides all facility support. The cost of some of this is charged back to each agency under a cost-sharing system, but the bulk of the cost is borne by the Department. There is widespread belief in the Department that this has led to excessive increases in other agency staffing. With Congressional support, the Department is implementing a Capital Security Cost Sharing Program which will require other agencies to contribute an amount proportional to their average world-wide overseas presence towards the cost of all new mission construction. Charges under this program will begin in FY08.<sup>28</sup> Despite the fact that this program has been long in the planning stage and information has been provided about the impending charges, implementation of the program will undoubtedly create massive sticker shock at other agencies. If the program continues to move forward, the cost/benefit ratio of having personnel overseas will change dramatically and may well ultimately result in reduction in mission size.

Another possible method to reduce U.S. presence overseas would be a change to the Department's policy of maintaining an embassy in every country with which the U.S. has diplomatic relations. The high cost of maintaining facilities and personnel world-wide has led to some questioning within the Department of why the U.S. expends such cost in countries where it has little or no national interest. Using this reasoning, any required U.S. efforts in such countries could be adequately managed through a regional embassy. These thoughts are contrary to Department of State policy, and therefore are not voiced publicly, but are worth a small mention here. In fact, there is probably no country where, long-term, the U.S. has no national interests. Sometimes there is a pause in representation due to security or political problems, for example in Somalia, or Republic of the Congo-Brazzaville. Both countries have off-site embassies, pending security conditions allowing a return to country. One place where the U.S. tried to reduce representation was in Equatorial Guinea in the mid nineties, when the mission was closed and business was handled by the U.S. Embassy to Cameroon. But subsequent discovery of huge oil reserves, which now make the country the third largest producer of oil and gas in sub-Saharan Africa, have led to massive U.S. investment and

economic interest in the country.<sup>29</sup> A resident U.S. ambassador arrived in Equatorial Guinea on November 14, 2006, and a limited services embassy has reopened. The Secretary of State's new program of transformational diplomacy also focuses on the undeveloped and developing world. As well, the world's "ungoverned spaces" are likely areas for terrorist havens, as happened in the mountains of Pakistan and the deserts in Saharan Africa, and have become a major focus in the Global War on Terror. All trends therefore indicate that it is unlikely that we will be closing any U.S. embassies.

#### Other Internal Personnel Sources

Another often-tapped resource for the Department is the retiree pool. Retirees may enroll in a database of personnel available for assignment, delimited by time and earnings to only a portion of the year. These personnel, called "While Actually Employed," or WAEs, are used to cover staffing gaps and position shortfalls all over the world. WAE personnel may not be interested in tackling difficult stabilization and reconstruction assignments, may not be able to perform for the extended period required due to their timing constraints, or may not be able to meet the health requirements such assignments often require. However, they could be a valuable resource to fill in behind vacancies currently left unfilled when personnel accept long-term temporary assignments to Iraq or Afghanistan, thus easing some strain on the system. Currently, separate lists of available WAE personnel are held by each regional and functional bureau. Logistics and paperwork requirements make it easier for retirees to enroll on the rosters of the bureau where they worked immediately prior to retirement. Yet individuals generally could work equally well, for example, in the Bureau of Near Eastern Affairs as in the Bureau of East Asia and Pacific Affairs. Centralizing the WAE rosters would provide much easier access to a currently available skilled labor pool. The major limitation on expanding use of the WAE pool, once again, is available funding.

The United States Agency for International Development (USAID) also has many employees with relevant skills whose skills could and should be tapped in reconstruction and rehabilitation. USAID's Office of U.S. Foreign Disaster Assistance (OFDA) provides disaster assistance teams who deploy to crisis locations, usually natural disasters, to provide urgent assistance and assessment.<sup>30</sup> USAID must be fully involved in S/CRS planning efforts to make sure efforts are synchronized.

#### Contracted and Other Sources of Personnel

The Department has also often contracted out for personnel assistance. For example, the United States is a member of the Organization for Security and Cooperation in Europe (OSCE).

As part of its responsibilities, the U.S. must provide personnel to the OSCE for missions ranging from thousands of elections monitors for several week periods, to long-term professional staff at OSCE missions. These personnel are mostly provided by a manpower contractor. The State Department, also through a contractor, provides police training and support for OSCE programs. And USAID routinely provides contractors to supervise assistance programs around the world.

In Afghanistan, the Afghanistan Reconstruction Group (ARG) was created by the National Security Council to bring private sector expertise to assist in reconstruction efforts. Hired and supported by the Department of Defense, ARG staff worked as a unit within the U.S. Embassy in Kabul, and consisted of U.S. government-hired private sector experts in the fields such as transportation, aviation, water, energy, telecoms, finance, agriculture, rule of law, etc.<sup>31</sup> In this case, the funding for the ARG staff came through the DoD budget, but with proper coordination of command and control issues, the source of the funding is far less important than the relevance of the skills provided.

The U.S. Department of Agriculture is an example of an agency that does not traditionally have a big presence overseas, yet has many experts with skills relevant to reconstruction efforts. The focus of the Department of Agriculture is domestic issues, and asking this agency to provide personnel for these overseas efforts would require a major change in orientation and mission in its large bureaucracy, and would also require it to either fit the costs within its own budget – and thereby diminish resources to an existing constituency -- or to figure out the process of attaching the new cost requirements to the Iraq supplementals. The fastest and easiest way to get access to functional experts therefore might be to contract through USAID, with the Department of Agriculture or whichever agency has the relevant skill, to provide the staff.

### Multilateral Support

A key to U.S. effort in reconstruction and stabilization is that every effort be made that it be a multilateral endeavor. Not only would the cost sharing be beneficial, without a doubt many of the necessary skills will not be resident in the U.S. For example, any assistance in rule of law would require experts familiar with the legal frame of reference of the subject country. This skills set would probably be resident in legal experts from the region. The same would apply for virtually all the pillars of civil society. One of James Dobbins “lessons learned” in his article *America’s Role in Nation-building* is that “Multilateral nation-building can produce more thoroughgoing transformations and greater regional reconciliation than can unilateral efforts.” Managing and coordinating the effort, giving it a push off the starting block, however, is a role

that would probably reside with the United States. For at least the near future, the U.S. position as the only superpower dictates that others will continue to look to the U.S. for leadership. S/CRS is meeting with multilateral organizations, and must ensure that these organizations are also included in all planning efforts.

### Budget Outlook

As of this writing in mid February, 2007, appropriations for the Department of State and other International Programs (including USAID) for fiscal year 2007 have yet to be been finalized. Extended delays into the new fiscal year for an approved budget are typical, yet they create an extremely difficult operating environment. Operations are funded through continuing resolutions set at prior fiscal year levels, but even that can involve risk if the Department determines, when it finally receives its new budget, that in order to remain solvent under the new budget, funding target levels that had been in place now have to be reduced. Just such an occurrence in fiscal year (FY) 2006 caused program cutbacks and layoffs at many U.S. embassies.

This year, budgetary levels set by the House of Representatives indicate that with a few exceptions, the State Department FY 2007 budget will be straight-lined from the FY 2006 appropriations.<sup>32</sup> In this extremely tight fiscal environment it will be difficult to move any initiative forward unless it can be tied to Iraq or Afghanistan for supplemental funding, and many ongoing programs will need to be cut back.

The outlook is slightly better for FY 2008. The President has just named the Department of State a National Security Agency, joining the Departments of Defense and Homeland Security.<sup>33</sup> The designation as a National Security Agency moves the State Department budget into a higher priority level. One can hope that this might speed up approval process for the State budget. In any event, the President has stated that the rate of growth for non-security discretionary spending would be held to 1% or less,<sup>34</sup> and this pronouncement exempts the State Department from that limit. However, whether Congress recognizes this imperative is questionable, especially given that the 2007 appropriation will be (most likely) significantly less than the President's budget request.

### Conclusion

The future will without doubt bring increasing requirements for State Department skills in post conflict and stabilization operations. The following is a recap of the suggestions as outlined in the paragraphs above that should receive some consideration to assist the Department in meeting its present and future deployment requirements. The Department should:



- Make a renewed call for the Diplomatic Readiness initiative to prevent gutting of the Department's core competency;
- Ensure S/CRS is resourced sufficiently to establish a robust Active Response Corps;
- Ensure other agency participation in both the Active and Standby Response Corps;
- Continue the effort toward establishment of a Civilian Reserve Corps;
- Ensure interagency and multilateral involvement in all stabilization and reconstruction planning efforts;
- Continue all efforts to obtain comparability pay for FSOs serving overseas;
- Consider asking for an exemption for FSOs serving in combat zones from federal income tax;
- Provide additional support for families of FSOs serving on unaccompanied assignments;
- Extend of elements of the Iraq Service Recognition Package for other extreme hardship posts;
- Continue rightsizing and other initiatives to reduce mission size overseas;
- Continue implementation of Capital Security Cost Sharing Program;
- Centralize control and increase use of While-Actually-Employed (WAE) personnel;
- Consider contracting with other agencies as source of technical skill.

Virtually every initiative outlined above requires additional funding. Department leadership at the highest levels must recognize and make the case for additional resources in order for the Department to meet its continuing and future obligations. These pleas for funding for institutional development are not as appealing as appeals for new diplomatic initiatives, but they are vital for the success of the mission of the State Department. Without the commitment and leadership of senior Department management, the progress made under the current administration towards the creation of an enduring framework for stabilization and reconstruction may fail.

## Endnotes

<sup>1</sup> Glenn Kessler, "Rice Orders Difficult Posts Filled First," *The Washington Post*, 24 Aug 2006, sec. A p. 17.

<sup>2</sup> U.S. Government Accountability Office, *GAO-06-894 Department of State: Staffing and Foreign Language Shortfalls Persist Despite Initiatives to Address Gaps*, (Washington, D.C.: Government Accountability Office, August 2006), p 6.

<sup>3</sup> Ibid.

<sup>4</sup> Author was Management Counselor at Embassy Kuwait until June 2006; Kuwait was advised in mid 2005 that the embassy is scheduled to lose two positions that were first filled in 2003 under the DRI, the sole American Human Resources officer and Information Security Officer.

<sup>5</sup> Author will encumber, in July 2007, a position as State Department Administrative Liaison to the CIA that will have been vacant for nine months. In prior position as Management Counselor to Kuwait, author was aware of extended gaps in many positions in Kuwait, including a consular position that was vacant for one year, a public diplomacy position that was vacant for 10 months, and the Ambassador, who served an 8 month temporary duty in Iraq. This type and length of vacancy is not unusual. The term "Iraq Tax" has developed to describe vacancies caused by staff being sent to Iraq or Afghanistan for extended TDYs.

<sup>6</sup> Richard Smyth, e-mail message to author, 13 October, 2006.

<sup>7</sup> U.S. Government Accountability Office, *GAO-06-894 Department of State: Staffing and Foreign Language Shortfalls Persist Despite Initiatives to Address Gaps*, (Washington, D.C.: U.S. Government Accountability Office, August 2006) p41.

<sup>8</sup> James F. Dobbins, "America's Role in Nation-building: From Germany to Iraq," *Survival*, vol. 45, no 4, (Winter 2003-2004): p110.

<sup>9</sup> Department of State, US Agency for International Development, *FY 2004-2009 Department of State and USAID Strategic Plan*, (Washington, D.C.: Aug 2003, page 22, available at <http://www.state.gov/s/d/rm/rls/dosstrat/2004/>); Internet; accessed January 2, 2007.

<sup>10</sup> George W. Bush 55<sup>th</sup> Inaugural Address, available from: <http://www.whitehouse.gov/inaugural/index.html>; Internet; accessed January 2, 2007.

<sup>11</sup> National Security Presidential Directive/NSPD-44, available at: <http://www.fas.org/irp/offdocs/nspd/nspd-44.html>; Internet; accessed January 2, 2007.

<sup>12</sup> George W. Bush, *National Security Strategy of the United States of America*, (Washington, D.C.: The White House, March 2006) p 45.

<sup>13</sup> Headquarters, Department of the Army, *Counterinsurgency Field Manual FM-3-24, Final Draft* (Washington, D.C.: June 2006) available from: <http://www.fas.org/irp/doddir/army/fm3-24.pdf>; Internet, accessed January 2, 2007.

<sup>14</sup> Office of the Coordinator for Reconstruction and Stabilization, *Reconstruction and Stabilization: Civilian Response, December 2005*, page 3; available from <http://www.crs.state.gov/index.cfm?fuseaction=public.display&id=66995713-EE7B-410A-BEAF-3DBD9D36EE66>; Internet, accessed January 2, 2007.

<sup>15</sup> Office of the Coordinator for Reconstruction and Stabilization Staff List, available from: <http://www.crs.state.gov/index.cfm?fuseaction=public.display&id=66995713-EE7B-410A-BEAF-3DBD9D36EE66>; Internet, accessed January 2, 2006.

<sup>16</sup> Stephen Krasner and Carlos Pascual, *The Danger of Failed States*, (Foreign Affairs, July-August 2005) p. 153.

<sup>17</sup> Office of the Coordinator for Reconstruction and Stabilization Press Release, August 22, 2006, *State Department Stands Up Active Response Corp*, available from <http://www.crs.state.gov/index.cfm?fuseaction=public.display&shortcut=J7PS>; Internet, accessed January 4, 2007.

<sup>18</sup> Office of the Coordinator for Reconstruction and Stabilization, *Reconstruction and Stabilization: Civilian Response, December 2005*, page 10-11; available from <http://www.crs.state.gov/index.cfm?fuseaction=public.display&id=66995713-EE7B-410A-BEAF-3DBD9D36EE66>; Internet, accessed January 2, 2007.

<sup>19</sup> Office of the Coordinator for Reconstruction and Stabilization, *Reconstruction and Stabilization: Civilian Response, December 2005*, page 11; available from <http://www.crs.state.gov/index.cfm?fuseaction=public.display&id=66995713-EE7B-410A-BEAF-3DBD9D36EE66>; Internet, accessed January 2, 2007.

<sup>20</sup> Office of the Coordinator for Reconstruction and Stabilization, *Reconstruction and Stabilization: Civilian Response, December 2005*, page 14; available from <http://www.crs.state.gov/index.cfm?fuseaction=public.display&id=66995713-EE7B-410A-BEAF-3DBD9D36EE66>; Internet, accessed January 2, 2007.

<sup>21</sup> Glenn Kessler, *Rice Orders Difficult Posts Filled First* (Washington Post, August 24, 2006) pg A17.

<sup>22</sup> U.S. Office of Personnel, *2007 General Schedule (GS) Locality Pay Tables*, available at <https://www.opm.gov/oca/07tables/indexGS.asp>; Internet, accessed February 16, 2007.

<sup>23</sup> Stephen Barr, *Congress Leaves Open the Diplomat Pay Gap* (Washington Post, December 19, 2006) pg D01.

<sup>24</sup> Department of State Cable, All Diplomatic and Consular Posts, *Subject: Iraq Service Recognition Package (ISRP) – 2006/2007* Cable number STATE 195740, dated December 6, 2006.

<sup>25</sup> Department of State Cable, All Diplomatic and Consular Posts, *Subject: Iraq Service Recognition Package (ISRP) – 2006/2007* Cable number STATE 195740, dated December 6, 2006, paragraph 17.

<sup>26</sup> Department of State, *Overseas Rightsizing, A Quarterly Report by the Office of Rightsizing the U.S. Government Overseas Presence, 2006/II*, available at <http://www.state.gov/m/r/rls/quarterly/>; Internet, accessed January 2, 2007.

<sup>27</sup> Department of State, *Overseas Rightsizing, A Quarterly Report by the Office of Rightsizing The U.S. Government Overseas Presence, 2006/II*, p 5, available at <http://www.state.gov/m/r/rls/quarterly/>; Internet, accessed January 2, 2007.

<sup>28</sup> *Overseas Buildings Operations Home Page*, available at <http://www.state.gov/obo/c11275.htm>; Internet, accessed Dec 27, 2006.

<sup>29</sup> Charles W. Corey, *Prospective Envoy Urges Closer U.S. Ties with Equatorial Guinea* (Washington File, August 7, 2006) available at <http://usinfo.state.gov/xarchives/U.S. Ambassador-designate Johnson testifies before a Senate committee>), Internet accessed January 2, 2007.

<sup>30</sup> *USAID Office of U.S. Foreign Disaster Assistance Home Page*, available from: [http://www.usaid.gov/our\\_work/humanitarian\\_assistance/disaster\\_assistance/](http://www.usaid.gov/our_work/humanitarian_assistance/disaster_assistance/); Internet, accessed January 2, 2007.

<sup>31</sup> *Afghanistan Reconstruction Group Recruiting Home Page*, available at [www.dod.mil/afghanistan/about.html](http://www.dod.mil/afghanistan/about.html), Internet, accessed January 4, 2007.

<sup>32</sup> Department of State Cable, All Diplomatic and Consular Posts, *Subject: FY 2007 Initial Operating Guidance Cable #7*, Cable number STATE 16335, dated February 8, 2007, paragraphs 2, 3 and 4.

<sup>33</sup> Secretary of State Condoleezza Rice, Remarks Before House Appropriations Subcommittee on State, Foreign Operations, and Related Programs, Washington, DC, February 16, 2007; available from <http://www.state.gov/secretary/rm/2007/feb/80597.htm>; Internet, accessed February 16, 2007.

<sup>34</sup> OMB Director Rob Portman, February 5 Press Briefing on the President's FY 2008 Budget, available from: <http://www.whitehouse.gov/news/releases/2007/02/20070205-3.html>, Internet, accessed February 16, 2007.